FORM NO. 51-4A 25X1A2g SEPT.,1948 GLASSIFICATION Approved For Release 1999/09/09 : CIA-RDP82-00457R002400560010-7 CENTRAL INTELLIGENCE AGENCY REPORT NO. INFORMATION REPORT

CD NO.

COUNTRY Germany (Russian Zone)

9 Mar 1949

Shortage of Materials SUBJECT

NO. OF PAGES 2

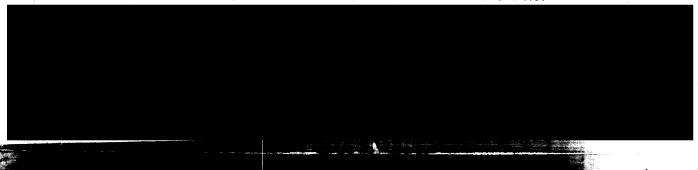
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PLACE ACQUIRED NO. OF ENCLS. (LISTED BELOW)

DATE DISTR.

DATE OF INFO. January 1949 25X1X6

SUPPLEMENT TO REPORT NO.



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At the beginning of January 194, almost the entire stocks of crude phosphate had been exhaused in the Soviet Zone of Germany. The two principal phosphate plants (Fertilia, Salzwedel, and Fahlberg-List AG, Magdeburg) were expected to stop production by 15 January unless new supplies were forthcoming. The plant in Coswig had only a two months supply on hand, while the supplies of the small factories at Draschwitz-Reugen and Oschersleben were expected to list not more than three to four weeks. Up to the beginning of anuary, no contracts for crude phosphate deliveries during 1949 had been signed. Negotiations with the USA had failed, while regotiations with a Belgian group were still under way. The authorities were especially interested in phosphate from Morocco, although 5,000 tons were still due from a previous contract.

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In the past, the SAG Siemens Plania in Berlin-Lichtenberg had been supplied with hard coal from the Ruhr stockpile; however, at the end of January, there was only a two weeks' supply left. It was therefore planned to lay off 400 men of the plant's 2800 workers by 1 February.

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There is a critical shortage of the following materials, which is due partly to counter-blockade measures taken by the Western powers, and partly to the difficulty of securing these items in post-war Europe: ocument No.

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ANGE in Class. Refined steel, various kinds Steel for tools and machine construction Class. CHANG IF ED τò: Silver and high-speed steel DDA Memo, Steel wire Auth: DDA REG. Apr 77 Steel wire rope Cold-rolled steel (mainly "Automatenstaht": 4 MAY 1978 Steel pipes NITTED BY

CLASSIFICATION <del>82-00457R002400560010-7</del> ARMY #

Piano wire

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## CENTRAL INTELLIGENCE AGENCY

- 2 -

Section steel Carbonyl iron (?-Karbonileisen) Chromium Cobalt Metal files Hack-saw blades Metal circular saws Special kinds of sheet metal Hoops and wires made of chrome-nickel steel German silver Nickel Manganese "Constantan" Bime tal Tungsten Phenol Bakelite Bakelite varnish and various kinds of "Oelisdations" (sic) varnish High tension insulation paper Insulating material (Gewebe) Compressed insulating substances of first quality Tin foil for use in condensers Electric bulbs All kinds of radio tubes Tires and rubber parts for automobiles and bicycles Slag wool Metal fittings Precision instruments

25X1X6

4. A large number of industrial concerns, with the approval of the German Economic Commission, have ordered certain urgently needed materials from firms located in the western zones, particularly in the British zone. The Russian zone concerns offered payment at 10 - 25 percent above current market prices. Products of Soviet AGs, on the other hand, are sold to these west-zone firms on a barter basis at a price 35 - 40 percent below the prevalent price. Transport risks are borne by the western firms.

